



**JOSEPH KELLY**  
ACTING TREASURER AND TAX COLLECTOR

## COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 437  
LOS ANGELES, CALIFORNIA 90012  
TELEPHONE: (213) 974-2101 FAX: (213) 626-1812



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November 25, 2014

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

### **ADOPTION OF A RATE ORDINANCE ESTABLISHING FEE AND CHARGE RATES FOR THE CALABASAS LANDFILL REFUSE DISPOSAL FACILITY (THIRD DISTRICT) (3 VOTES)**

#### **SUBJECT**

Approval of the recommended amendments to Title 12 of the Los Angeles County Code will increase certain fee and charge rates at the Calabasas Landfill Refuse Disposal Facility, effective as of January 1, 2015. The revised fee structure is necessary to provide funding for operations and maintenance, capital expenditures and debt service obligations at the Calabasas Landfill.

#### **IT IS RECOMMENDED THAT THE BOARD AFTER THE PUBLIC HEARING,**

1. Adopt the ordinance amending Title 12 of the Los Angeles County Code and establishing fee and charge rates at the Calabasas Landfill Refuse Disposal Facility, effective as of January 1, 2015.
2. Find that these actions are statutorily exempt under the California Environmental Quality Act.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the above recommendations will authorize an increase to the existing fee and charge rates prescribed for waste disposal at the County-owned Calabasas Landfill (the "Landfill"). Based on consultation with and advice from the Sanitation Districts of Los Angeles County (the "Districts"), it is proposed that the total rate charge for the disposal of municipal solid and inert waste ("MSW") at the Landfill be raised from \$40.82 per ton to \$43.32 per ton effective January 1, 2015. This compares favorably with the \$61.65 per ton posted rate at Sunshine Canyon and the \$63.51 per ton

posted rate at Simi Valley. In addition to the MSW rate increase, the ordinance provides for a similar increase in the rates for other waste disposal categories set by the County (hard to handle bulky items, minimum charges for MSW, and pull-offs). The Districts will continue to set the fees and charges for waste categories not included in the ordinance. The changes to the fee structure are necessary in order to meet the operating expenses of the Landfill. A copy of the letter from the Districts requesting the increase in the fee and charge rates for the Landfill is attached for your reference.

### **Implementation of Strategic Plan Goals**

This action supports the County of Los Angeles Strategic Plan Goal #1: Operational Effectiveness/Fiscal Sustainability through collaborative actions between the County and other local jurisdictions, including the Sanitation Districts of Los Angeles County.

### **FISCAL IMPACT/FINANCING**

The last rate increase for the Landfill occurred in January 2010. The ability of the Landfill to generate sufficient net revenues to meet current obligations has become increasingly uncertain as solid waste deliveries have declined. To the extent that net revenues from the Landfill prove insufficient to pay any future principal and interest debt obligations from the Bonds (as defined below), the County has covenanted to pay the difference from any source of legally available funds, including the General Fund. Based on a review of Landfill operations, the \$2.50 per ton increase to the MSW rate, effective January 1, 2015, is sustainable in the current economic environment in the Landfill service area.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

#### **The Calabasas Landfill Project**

The County's authority to set rates at the Landfill was established in connection with the sale of the \$38,475,000 Los Angeles County Public Works Financing Authority Lease Revenue Bonds (Calabasas Landfill Project) (the "Bonds") to fund essential capital projects at the Landfill. The Bonds were authorized by your Board on November 22, 2005, and subsequently issued on January 5, 2006 by the Los Angeles County Public Works Financing Authority. The projects financed were necessary to maintain compliance with statutory regulations and to provide for the continued operation of the Landfill. As authorized by your Board, the Bonds were structured as a lease revenue transaction whereby the County agreed to pay any debt service obligation that could not be funded by revenues from the Landfill. To mitigate the possibility that the County would have to fund all, or a portion of any debt service payments, the County and the Districts agreed that future fee and charge rates at the Landfill would require the approval of your Board.

#### **Landfill Operations**

As a condition to the issuance of the Bonds, the rate-setting authority at the Landfill was transferred from the Districts to the County by the fourth amendment to the joint powers agreement for Landfill operations approved by your Board on December 5, 2005. The Districts have retained their role as operator of the Landfill and continue to oversee the day-to-day management of the facility.

#### **Public Notice**

In accordance with California Government Code Sections 6062(a) and 66018, my office has caused

a notice to be published in a local newspaper at least ten (10) days prior to the date of your Board's public hearing on the proposed fee and charge rates at the Landfill.

Negative Declaration/Environmental Impact Report

Your Board's adoption of the proposed ordinance is statutorily exempt from the provisions of the California Environmental Quality Act ("CEQA") pursuant to Section 15273 of the State CEQA Guidelines for Implementation. CEQA provides for an exemption from environmental review for specific activities that are deemed not to have a significant impact on the environment. The attached ordinance meets this exemption given that the proposed modifications apply solely to solid waste disposal rates that generate funds for the purpose of: 1) meeting operating expenses; 2) equipment purchases and; 3) capital projects necessary to maintain services within an existing service area.

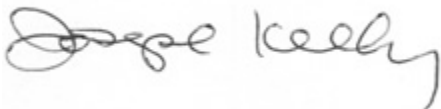
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Adoption of the proposed ordinance will provide funding for the continued operation and maintenance of the Landfill.

**CONCLUSION**

Upon adoption of the ordinance, it is requested that the Executive Office of the Board return two originally executed copies to the Public Finance Office of the Treasurer and Tax Collector.

Respectfully submitted,



Joseph Kelly

Acting Treasurer and Tax Collector

JK:GB:DB:JW:pab

Enclosures

c: Chief Executive Officer  
Auditor-Controller  
County Counsel  
Director of Public Works  
Executive Officer, Board of Supervisors  
County Sanitation Districts



COUNTY OF LOS ANGELES  
OFFICE OF THE COUNTY COUNSEL

648 KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET  
LOS ANGELES, CALIFORNIA 90012-2713

MARK J. SALADINO  
County Counsel

November 12, 2014

TELEPHONE  
(213) 974-1811  
FACSIMILE  
(213) 617-7182  
TDD  
(213) 633-0901

Joseph Kelly  
Acting Treasurer and Tax Collector  
437 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

**Re: Amendment of Title 12 – Environmental Protection of the  
Los Angeles County Code to Increase Fee and Charge Rates  
for the Calabasas Landfill Refuse Disposal Facility**

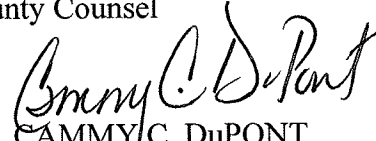
Dear Mr. Kelly:

Pursuant to your request, enclosed is our analysis and proposed ordinance amending Title 12 – Environmental Protection of the Los Angeles County Code to increase fee and charge rates for the Calabasas Landfill refuse disposal facility, effective as of January 1, 2015.

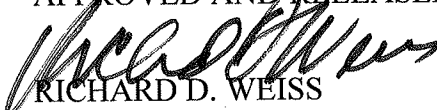
The ordinance may be presented to the Board of Supervisors for its consideration at a public hearing.

Very truly yours,

MARK J. SALADINO  
County Counsel

By   
CAMMY C. DuPONT  
Principal Deputy County Counsel  
Government Services Division

APPROVED AND RELEASED:

  
RICHARD D. WEISS  
Chief Deputy

CCD:am  
Enclosure

## ANALYSIS

This ordinance amends Title 12 – Environmental Protection of the Los Angeles County Code to increase fee and charge rates for the Calabasas Landfill refuse disposal facility, effective as of January 1, 2015.

MARK J. SALADINO  
County Counsel

By



CAMMY C. DUPONT  
Principal Deputy County Counsel  
Government Services Division

CCD:am

11/04/14 (Requested)  
11/10/14 (Revised)

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 12 – Environmental Protection of the Los Angeles County Code, relating to increase fee and charge rates for the Calabasas Landfill refuse disposal facility, effective as of January 1, 2015.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Section 12.48.050 is hereby amended to read as follows:

**12.48.050 Fee and charge rates.**

Effective January 1, 201015, the following fee and charge rates will be prescribed for waste disposal at the Calabasas Landfill:

A. Types of Waste:

Types of Waste:	Rates:
Municipal Solid and Inert Waste	<del>\$40.82</del> <u>43.32</u> /ton
Hard to Handle Bulky Items	<del>\$48.79</del> <u>53.32</u> /ton
Tires	\$84.82/ton
Special Handling	\$57.32/ton
Minimum Charge	<del>\$39.25</del> <u>41.65</u> per load
Pull-Offs	<del>\$33.00</del> <u>40.00</u> each

B. A surcharge of \$4.40/ton, subject to a minimum charge of \$4.40, will be charged with respect to all uncovered loads capable of producing litter.

C. A surcharge of \$4.40/ton, subject to a minimum charge of \$4.40, will be charged with respect to all non-manifested tire loads.

[1248050CDCC]



## COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

1955 Workman Mill Road, Whittier, CA 90601-1400  
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998  
Telephone: (562) 699-7411, FAX: (562) 699-5422  
[www.lacsd.org](http://www.lacsd.org)

GRACE ROBINSON HYDE  
Chief Engineer and General Manager

October 27, 2014

Mr. Joseph Kelly  
Acting Treasurer and Tax Collector  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Mr. Kelly:

### **Calabasas Landfill – Solid Waste Management Facility Rates**

This letter is to advise the County of Los Angeles of the Sanitation Districts recommendations for new rates for the Calabasas Landfill. The County, as owner of the Calabasas Landfill, has rate-setting authority for the landfill pursuant to the Fourth Amendment to the Amended Joint Powers Agreement – Calabasas Landfill, December 6, 2005. The County's rate-setting authority was established when the County incurred bonded indebtedness, through the Los Angeles County Public Works Financing Authority, to pay for capital improvements at the landfill necessary to develop the site to its full permitted capacity. The Sanitation Districts act as an advisor regarding the rates for the landfill.

For several years, the Calabasas Landfill has experienced significant decreases in the amount of waste received at the site. The tonnage decreases have caused major decreases in site revenue. The landfill staff has reacted to the decrease in revenue and has significantly reduced key operational expenses such as equipment and labor costs. However, there are other costs less related to tonnage levels, such as for operating and maintaining environmental control systems, which will continue. Furthermore, there has been no rate increases since 2010 to recover decreases in site revenue. Thus, an increase in the rates is necessary to provide sufficient revenue to operate and maintain the landfill, provide for capital improvements, and support debt service.

The Sanitation Districts recommend that the Municipal Solid and Inert Waste rate at the Calabasas Landfill be increased from the current rate of \$40.82 per ton to \$43.32 per ton, effective January 1, 2015. The increase of \$2.50 per ton would be comprised of \$2.27 per ton for capital and operating expenses of the landfill and \$0.23 per ton for the County's Business License Tax. Related increases in the rate categories of minimum, hard-to-handle and pull-offs are also recommended. The tipping fees for recycling segregated uncontaminated loads of green waste will be increased by \$1.00 per ton to reflect the increased costs of providing this service. The current and recommended new rates are shown on the attached table for the Calabasas Landfill.

If you have any questions concerning the recommended rates, please contact John Gullledge, Financial Management Department Head (ext. 2401).

Very truly yours,

Grace Robinson Hyde  
Chief Engineer and General Manager

GRH:bw

Attachment

Document Number: 3113656



**SCHEDULE OF PROPOSED RATES FOR REFUSE DISPOSAL  
AT CALABASAS LANDFILL**

<b><u>CALABASAS LANDFILL</u></b>	<b><u>CURRENT RATES</u></b>	<b>PROPOSED RATES *</b>
		<b><u>January 1, 2015</u></b>
Municipal Solid and Inert Waste	\$40.82 /ton	\$43.32 /ton
Hard-to-Handle, Bulky Items	\$48.79 /ton	\$53.32 /ton
Tires	\$84.82 /ton	\$84.82 /ton
Special Handling	\$57.32 /ton	\$57.32 /ton
Minimum Charge MSW	\$39.25 per load	\$41.65 per load
Pull-Offs	\$33.00 each	\$40.00 each
Segregated Uncontaminated Green Waste (1-ton minimum charge)	\$27.48 /ton	\$28.48 /ton
Asphalt	\$20.00 /ton	\$20.00 /ton
-Minimum Charge (Asphalt)	\$50.00 per load	\$50.00 per load

\*Rates adopted by County of Los Angeles. The County has authorized the Chief Engineer and General Manager to set a reduced rate for the acceptance of beneficial materials such as segregated uncontaminated green waste and asphalt.

Uncovered Loads Capable of Producing Litter and Non-manifested Tire Loads - \$4.40/ton surcharge; \$4.40 minimum

All rates include the following state, county and local fees and taxes (fees expressed on a per ton basis do not apply to green waste, asphalt and pull-offs):

California Integrated Solid Waste Management Fee:	\$1.40 /ton
Los Angeles County Solid Waste Management Fee:	\$1.50 /ton
Los Angeles County Department of Health Services Regulatory Service Fee:	\$0.36 /ton
Los Angeles County Business License Tax (unincorporated County area only):	10% of gross receipts excluding state and local fees and taxes